

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

CODE OF VIRGINIA
§ 45.1-361.26

BEFORE THE VIRGINIA GAS AND OIL BOARD

**RELIEF
SOUGHT:**

An Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties)

JURISDICTION:

Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq) AND § 45.1-361.22:2

UNIT/WELL NAME: AZ98

TRACT(S): A portion of 2A

LOCATION: BUCHANAN County, Virginia

DOCKET NUMBER: VGOB-04-0316-1261-02

APPLICANTS:

CNX Gas Company LLC on behalf of Christa Dawn Hess, Ronnie Wayne Tillier

HEARING DATE AND LOCATION:

On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

APPEARANCES:

Mark A. Swartz on behalf of CNX Gas Company LLC

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 07/21/2005, Recorded on 07/26/2005, Deed Book/Instrument No. 621, Page 724.
2. Supplemental Order, Recorded on 01/23/2008, Deed Book/Instrument No. 80000282.
3. Disbursement Order -01 Executed 01/21/2016, Recorded on 02/02/2016, Deed Book/Instrument No. 160000145.

NOTICE:

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- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) A portion of 2A identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 2A relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22 AND § 45.1-361.22:2

Applicant has certified and represented to the Board that:

- a. Christa Dawn Hess and Ronnie Tiller is the gas claimant in Tracts portion of 2A. As such Christa Dawn Hess and Ronnie Tiller are entitled to 100% of the CBM royalties now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That CNX Gas Company LLC has given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. That an Exhibit identified as Table 1 is annexed hereto, and it specifies how the disbursement(s) is to be calculated and paid by the escrow agent.
- f. That Va. Code Ann. § 45.1-361.22:2.A. further provides that the Operator shall pay such royalties as may hereafter be payable directly to the gas claimant Christa Dawn Hess and Ronnie Tiller and not escrow same. See Exhibit EE annexed hereto.

RELIEF GRANTED:

VGOB Disbursement
Unit AZ98

VGOB-04-0316-1261-02

Table 1

Tracts: A portion of 2A

Item	Tract	Disbursement Table	Fractional Ownership		Net Acreage Ownership		Royalty Split		Escrowed Acres		Percent of Escrowed Funds		Adjustment Amount
			in Tract		in Tract		Agreement	Disbursed	Disbursed	Disbursed	Disbursed	Disbursed	
		Total acreage in escrow before disbursement							0.01430				
		2A Tract 2A (total acreage)		0.0600									
1	2A	Christa Dawn Hess\3319 Wayfield Dr., Johnson City, TN 37601	1/42		0.0014		100.00%	0.0014	0.0014		9.9900%		
2	2A	Ronnie Wayne Tiller\7918 Gold Leaf Circle, Spotsylvania, VA 22551	1/42		0.0014		100.00%	0.0014	0.0014		9.9900%		

Adjustment Comments:

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1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.
2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

APPEALS:

Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

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DONE AND EXECUTED this 22 day of June, 2016 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 22 day of June, 2016 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 22nd day of June, 2016, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017



160001185

BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 04-0316-1261-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) A portion of 2A (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES (3) AND DISMISSAL OF COAL OWNERS PURSUANT TO CODE OF VIRGINIA SECTION 45.1-361.22:2.

HEARING DATE: On June 16, 2015, the Virginia Gas and Oil Board, on its own motion, granted the Director of the Division of Gas and Oil the authority to process coal owner dismissal disbursements that have no pending deficiencies or issues. Code of Virginia Section 45.1-361.22:2. Effective date: July 1, 2015.

DRILLING UNIT: AZ98

BUCHANAN COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is CNX Gas Company LLC, PO Box 570, Pounding Mill, VA 24637, (276)596-5075. Petitioner's counsel is Mark A. Swartz, Hillard & Swartz, LLP, 122 Capital Street, Suite 201, Charleston, WV 25301.

2. Relief Sought

(1) The disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to of Tract(s) portion of 2A as depicted upon the annexed Table; and (2) authorization to begin paying royalties directly to Christa Dawn Hess and Ronnie Tiller; (3) Dismissal of Coal Owner(s): Harrison-Wyatt LLC

3. Legal Authority

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of Well(s)

Coalbed Methane

5. Factual basis for relief requested

- a. Christa Dawn Hess and Ronnie Tiller is the gas claimant in Tracts portion of 2A. As such Christa Dawn Hess and Ronnie Tiller are entitled to 100% of the CBM royalties now in escrow and as may be hereafter payable. See Va. Code Ann. § 45.1-361.22:2.A.
- b. That CNX Gas Company LLC has given the notice(s) required by § 45.1-361.22:2.A to all conflicting claimants identified in the above referenced pooling Order and any supplemental Orders pertaining thereto.
- c. That none of the conflicting claimants noticed have provided, within 45 days of the notice(s) given as provided in b. above, the Board, its designated agent the Director of the Division of Gas and Oil, the Operator and/or the Applicant evidence of either an agreement regarding the escrowed funds/royalties or a proceeding regarding same.
- d. That a detailed accounting in accordance with the applicable provisions of § 45.1-361.22 is submitted herewith and identified as Exhibit J.
- e. That an Exhibit identified as Table 1 is annexed hereto, and it specifies how the disbursement (s) is to be calculated and paid by the escrow agent.
- f. That Va. Code Ann. § 45.1-361.22:2.A. further provides that the Operator shall pay such royalties as may hereafter be payable directly to the gas claimant Christa Dawn Hess and Ronnie Tiller and not escrow same. See Exhibit EE annexed hereto.

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

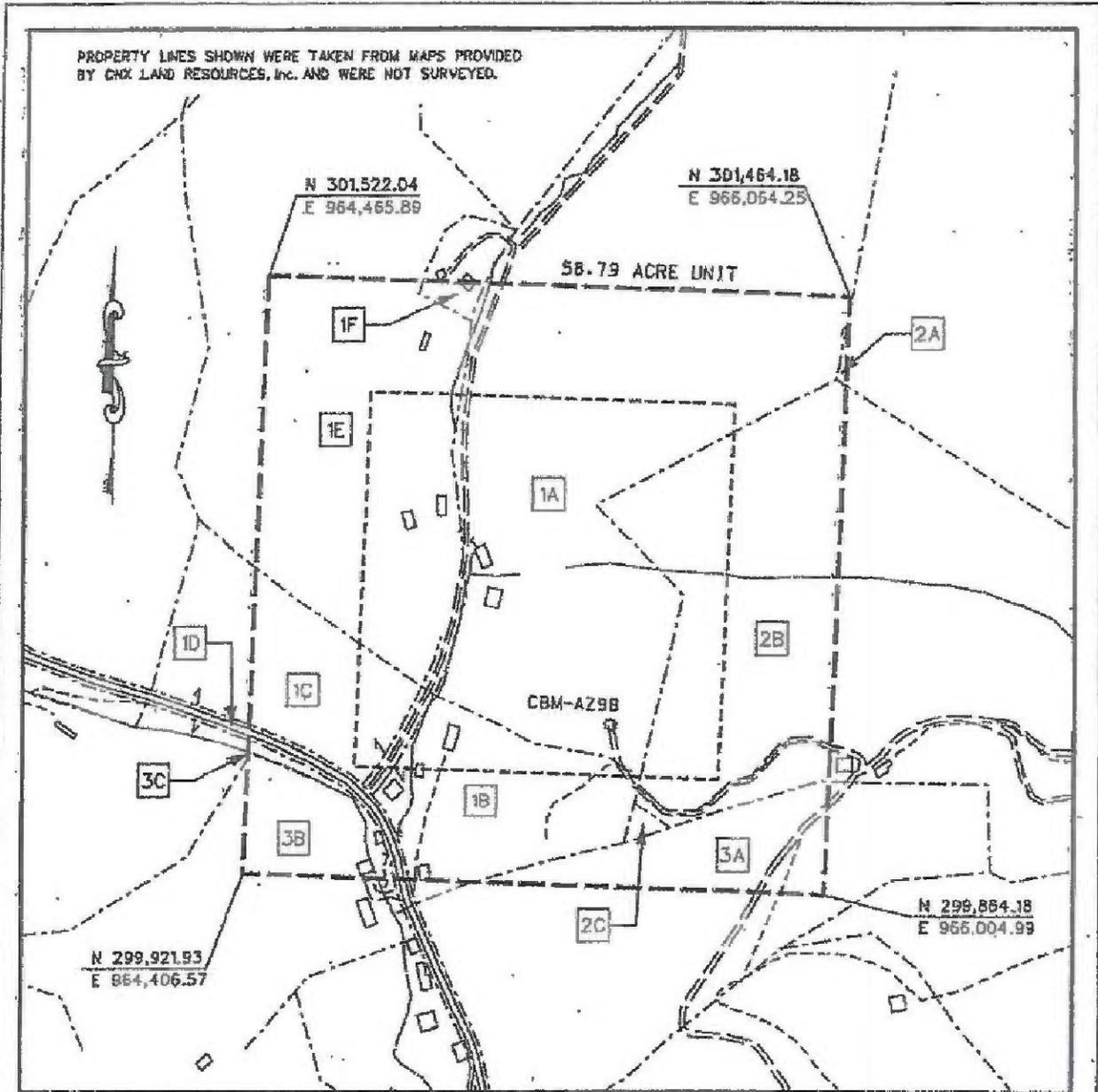
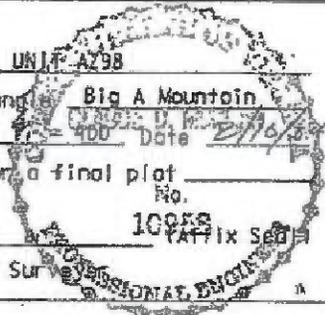


EXHIBIT A
 NDRA FIELD
 UNIT AZ-98
 FORCE POOLING
 VGOB-04-0316-1261

Company CNX Gas Company LLC Well Name and Number UNIT-AZ98
 Tract No. _____ Elevation _____ Quadrangle Big A Mountain
 County Buchanan District Hurricane Scale: 1" = 400' Date 2/10/08
 This plot is a new plot ; an updated plot _____ ; or a final plot _____
 No. _____
 Form DGO-GO-7 Charles D. Meyer
 Rev. 9/91 Licensed Professional Engineer or Licensed Land Surveyor
 10055
 TATTIX SEA



Force Pooling\AZ98\POOL.dgn 02/08/2004 08:11:53 AM

CNX Gas Company LLC
UNIT AZ-98
 Tract identifications
 (58.79 Acre Unit)

1. Harrison-Wyatt, L.L.C. (Big Axe Tr. 2) - All Minerals
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 41.44 acres 70.4882%

- 1A. Emma Jane Harris - Surface
- 1B. Gregory D. Austin, et ux - Surface
- 1C. Myra K. Austin - Surface
- 1D. Commonwealth of Virginia - Surface
- 1E. Teresa Harris, et al - Surface
- 1F. Brian Hess, et ux - Surface

- 2A. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Feiden Sanders Heirs, et al. - Surface and All Minerals except Coal
 CNX Gas Company LLC - Oil, Gas and CBM Leased (85%)
 0.06 acres 0.1021%

- 2B. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Gregory D. Austin, et ux - Surface and All Minerals except Coal
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 11.76 acres 20.0034%

- 2C. Harrison-Wyatt, L.L.C. (Big Axe Tr. 4) - Coal
 Jewell Smokeless Coal Corp. - Coal Above Jawbone Seam Leased
 CNX Gas Company LLC - CBM Leased
 Gregory D. Austin, et ux - Surface and All Minerals except Coal (Cemetery)
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 0.14 acres 0.2381%

3. Harrison-Wyatt, L.L.C. (Big Axe Tr. 8) - All Minerals
 Jewell Smokeless Coal Corp. - Coal In Tiller and Above Leased
 CNX Gas Company LLC - Oil, Gas and CBM Leased
 5.39 acres 9.1682%

- 3A. Chester McGlothlin, et ux - Surface
- 3B. Unknown Surface Owner
- 3C. Unknown Surface Owner

Exhibit E
Unit AZ-98

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Docket #VGOB 04-0316-1261-02
List of Respondents requiring escrow
(58.79 Acre Unit)

	Acres in Unit	Percent of Unit
<u>Tract #2A - 0.06 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	0.06 acres	0.1021%
<u>OIL & GAS OWNERSHIP</u>		
(1) Fielden Sanders Heirs, Devisees, Successors or Assigns, et al.	0.06 acres	0.1021%
<i>The respondents listed below did not respond timely to the W9 request and will continue to be escrowed.</i>		
(c) Lena Sanders Sutorka 751 Forest Hill Road Gordonsville, VA 22942	0.0029 1/21 of 0.06 acres	0.0049%
(d) Daniel E. Sanders Heirs, Devisees, Successors or Assigns		
(d.1) Orié Wangler (Gerard) Rt 2 Box 466 McLoud, OK 74851	0.0007 1/84 of 0.06 acres	0.0012%
(d.2) Wainoke Lynn Kummell 16826 Topeka Ln Choctaw, OK 74020	0.0007 1/84 of 0.06 acres	0.0012%
(d.3) Latrenda Sanders Rt 2 Box 466 McLoud, OK 74851	0.0007 1/84 of 0.06 acres	0.0012%
(d.4) Lamona Heck PO Box 1407 Bedford, VA 24523	0.0007 1/84 of 0.06 acres	0.0012%
(e) Julia Sanders O'Quinn 1232 Green-Cook Road Sunbury, OH 43074	0.0029 1/21 of 0.06 acres	0.0049%
(f) Ellis Sanders Heirs, Devisees, Successors or Assigns		
(f.1) Beatrice Jane MacCormac 8732 Phipps Farm Way Manassas, VA 20109	0.0014 1/42 of 0.06 acres	0.0024%
(g) Waiter Sanders Heirs, Devisees, Successors or Assigns		
(g.2) Adrinne Sanders Horn Box 652 Burnett Street Richlands, VA 24641	0.0007 1/84 of 0.06 acres	0.0012%
(g.4) Terry Sanders 271 Pleasant Ridge Road Franklinville, NC 27248	0.0007 1/84 of 0.06 acres	0.0012%
Total Acres Remaining in Escrow	0.0114	
Total Percentage Remaining in Escrow		0.0194%

Exhibit E
Unit AZ-98
Docket #VGOB 04-0316-1261-02
List of Respondents requiring escrow
(58.79 Acre Unit)

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Acres in Unit	Percent of Unit
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Docket #VGOB 04-0316-1261-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.79 Acre Unit)

	Acres in Unit	Percent of Unit	Percent of Escrow
Tract #2A - 0.06 acres			
COAL OWNERSHIP			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	0.06 acres	0.1021%	n/a
OIL & GAS OWNERSHIP			
(1) Fielden Sanders Heirs, Devisees, Successors or Assigns, et al.	0.06 acres	0.1021%	
(1) Ora Sanders Heirs, Devisees, Successors or Assigns			
(a) Oma Sanders Tiller Heirs, Devisees, Successors or Assigns (1/21)			
(a.1) Edward V. Tiller 7491 Red Bud Highway Honaker, VA 24260	0.0014 1/42 of 0.06 acres	0.0024%	n/a
(a.2) Loeita Austin 7509 Red Bud Highway Honaker, VA 24260	0.0014 1/42 of 0.06 acres	0.0024%	n/a
(f.2) Betty Sue Fletcher P.O. Box 891 Marion, VA 24354	0.0014 1/42 of 0.06 acres	0.0024%	n/a
(b) Lethia (Leafy) Sanders Tiller Heirs, Devisees, Successors or Assigns			
(b.1) Christa Dawn Hess 3319 Wayfield Dr Johnson City, TN 37601	0.0014 1/42 of 0.06 acres	0.0024%	10.2775% HB2058
(b.2) Ronnie Wayne Tiller 7918 Gold Leaf Circle Spotsylvania, VA 22551	0.0014 1/42 of 0.06 acres	0.0024%	10.2775% HB2058
(g) Walter Sanders Heirs, Devisees, Successors or Assigns			
(g.1) Nadine Sanders Hurley Rt.2 Box 171 Honaker, VA 24656	0.0007 1/84 of 0.06 acres	0.0012%	n/a
(g.3) Roger Sanders P.O. Box 82 Pilgrims Knob, VA 24634	0.0007 1/84 of 0.06 acres	0.0012%	n/a
(2) Fielden Sanders Heirs, Devisees, Successors or Assigns			
(a) Chester Sanders 408W Dartmouth Avenue Melbourne, FL 32901	0.0100 1/6 of 0.06 acres	0.0170%	n/a

Exhibit EE
Unit AZ-98
Docket #VGOB 04-0316-1261-02
List of Respondents with Royalty Split Agreements/Court Orders/HB2058
(58.79 Acre Unit)

	Acres In Unit	Percent of Unit	Percent of Escrow
(b) Dave Sanders 590 Bailey Switch Rd Bluefield, VA 24605	0.0100 1/6 of 0.06 acres	0.0170%	n/a
(c) Norman Sanders 2013 Otterdale Road Midlothian, VA 23112	0.0100 1/6 of 0.06 acres	0.0170%	n/a
(d) Estil Sanders Heirs, Deviseses, Successors or Assigns			
(d.4) Harley Sanders 172 Vantage Drive Tazewell, VA 24851	0.0010 1/63 of 0.06 acres	0.0016%	n/a
(d.5) Jerry Sanders PO Box 1931 Honaker, VA 24260	0.0010 1/63 of 0.06 acres	0.0016%	n/a
(d.7) Allen Sanders P.O. Box 2254 Lebanon, VA 24266	0.0010 1/63 of 0.06 acres	0.0016%	n/a
(d.8) Evelyn Sanders Nash 19 Heritage Drive Honaker, VA 24260	0.0010 1/63 of 0.06 acres	0.0016%	n/a
<u>Tract #2B - 11.76 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	11.76 acres	20.0034%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Gregory D. & Diana F Austin, et ux. 4654 Old Grissom Honaker, VA 24260	11.76 acres	20.0034%	n/a
<u>Tract #2C - 0.14 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) P.O. Box 11000 Danville, VA 24543	0.14 acres	0.2381%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) Gregory D. & Diana F Austin, et ux. 4654 Old Grissom Honaker, VA 24260	0.14 acres	0.2381%	n/a
Total Acres Resolved	11.8424		
Total Percentage Resolved		20.3136%	

ACV
#23 SS.

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INSTRUMENT #160001185
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JULY 7, 2016 AT 09:16AM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB